

# HOUSE BILL No. 1176

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 8-1.5-3-8.4.

**Synopsis:** Liens by municipally owned water utilities. Provides that rates and charges of a municipally owned water utility constitute a lien against property served by the municipally owned water utility. Provides that the method for the attachment, enforcement, and foreclosure of liens by municipally owned water utilities is the same as the existing method for wastewater utility liens. Sets forth the order of precedence of liens asserted for both delinquent water service charges and delinquent wastewater service fees by a municipality that owns both a water utility and a wastewater utility.

**Effective:** July 1, 2014.

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## GiaQuinta

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January 13, 2014, read first time and referred to Committee on Judiciary.

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Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1176

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 8-1.5-3-8.4 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2014]: **Sec. 8.4. (a) The rates and charges made and established**  
4 **by a municipally owned water utility for water service provided to**  
5 **a property constitute a lien against the property. Except as**  
6 **provided in subsection (b), the lien is superior to and takes**  
7 **precedence over all other liens except a lien for taxes. The lien**  
8 **attaches and shall be enforced and foreclosed in the manner liens**  
9 **attach and are enforced and foreclosed under IC 36-9-23. The**  
10 **enforcement of a lien under this section is in addition to any**  
11 **penalties provided under section 4(d) of this chapter,**  
12 **IC 36-9-23-6(e), or IC 36-9-25-11.5.**  
13 **(b) If:**  
14 **(1) a municipality owns both a water utility and a wastewater**  
15 **utility;**  
16 **(2) rates and charges established under this chapter for**



1 services rendered by the water utility are delinquent with  
2 respect to a particular property;

3 (3) user fees established under IC 36-9-23 or IC 36-9-25 for  
4 services rendered by the sewage works are delinquent with  
5 respect to the same property described in subdivision (2); and  
6 (4) the municipality is entitled to assert and enforce a lien  
7 under both:

8 (A) this section; and

9 (B) IC 36-9-23 or IC 36-9-25;

10 for the delinquencies described in subdivisions (2) and (3);  
11 the municipality may assert a lien under this section, IC 36-9-23 or  
12 IC 36-9-25, or both. If the municipality files with the county  
13 recorder a notice of lien under both this section and IC 36-9-23 or  
14 IC 36-9-25 at the same time, the lien attaches for the total amount  
15 of the delinquencies under subdivisions (2) and (3), and neither the  
16 lien under this section nor the lien under IC 36-9-23 or IC 36-9-25  
17 takes precedence over the other, notwithstanding this section,  
18 IC 36-9-23-32(a), or IC 36-9-25-11(g). If the municipality files with  
19 the county recorder a notice of lien under this section and under  
20 IC 36-9-23 or IC 36-9-25 at different times, the lien for which the  
21 notice is filed first is superior to and takes precedence over the lien  
22 for which notice is later filed with the county recorder,  
23 notwithstanding this section, IC 36-9-23-32(a), or IC 36-9-25-11(g).

